GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Smart Cities Mission- Tirupathi Municipal Corporation- Selected as 4th ranked city in Round 2 of the Smart City Challenge – Incorporation of Special Purpose Vehicle (SPV) in the name and style of **"Tirupati Smart City Corporation Limited"** - Nomination of Directors and Share holders -Orders-Issued

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MUNICIPAL ADMINISTRATION & URBAN DEVELOPMENT (UBS) DEPARTMENT

G.O.Ms..No.258 Dated:21.10.2016
Read the following:

1. From the Under Secretary, Minister of Urban Development No.K-15016/157/2015-SC-I, dated 03.10.2016.
2. From Commissioner, Tirupathi Municipal Corporation Lr.Roc.No.671/2016/E5/Smart City dated: 05.10.2016.

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**ORDER:**-

The Tirupathi Municipal Corporation is one of the 27 shortlisted cities in Round 2 of the Competition under Smart Cities Programme of the Ministry of Urban Development, Government of India. As per Para 10 of the Smart City Mission Guidelines, the selected Smart City is required to form a Special Purpose Vehicle (SPV) which will plan, appraise, approve, release funds etc., and evaluate the Smart City Development Projects. The SPV will be a limited company incorporated under the Companies Act, 2013 at City Level, in which the State and the Urban Local Body will be the promoters having 50:50 equity share holding. The Special Officer , Tirupathi Municipal Corporation vide Council Resolution No.258, dated:28.06.2016 has accorded approval to incorporate a Special Purpose Vehicle (SPV) for Tirupathi Smart City as per the guidelines of Government of India.

2 The Commissioner, Tiupathi Municipal Corporation vide reference 2nd read above, has submitted proposals for according permission for incorporation of SPV under the name and the style of **"Tirupati Smart City Corporation Limited"** and also nomination of initial Directors and share holders of the Company as early as possible to incorporate and to operationalize the Smart City Project.

3 The Secretary, Ministry of Urban Development, Government of India, New Delhi vide reference 1st read above has requested the Government to constitute a Special Purpose Vehicle to the Tirupathi Smart City immediately for operationalizing the smart city project and to release necessary funds to the city for implementation of the programme.

4. The aim of the Smart Cities Project is to drive economic growth and improve the quality of life of people by enabling local area development and harnessing technology especially technology that leads to Smart outcomes and the approach adopted for realising the aim is mission mode approach. The guidelines of Smart City Project stipulates to create a SPV for timely implementation of the Tirupathi smart City Project on mission mode.

5. Government in view of the above, and after careful consideration of the proposal of Commissioner, Tirupathi Municipal Corporation hereby constitute a Special Purpose Vehicle in the name and the style of **"Tirupati Smart City Corporation Limited"** with a Board of Directors (BoD), headed by a Non-Executive Chairman and 15 other directors. The following officers are nominated as initial directors on the Board of the Tirupathi Smart City Corporation Limited.

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|---|---|---|---|
| 1. | District Collector, Chittoor | - | Chairman |
| 2. | Commissioner, Tirupathi Municipal Corpoation (Representative of Tirupathi Municipal Corporation under promoter Category) | - | Director |
| 3. | Superintendent of Police, Tirupati | - | Director |
| 4. | Vice Chairman, Tirupati Urban Development Authority | | Director |
| 5. | Joint Executive Officer, TTD | | Director |
| 6. | And other 11 members to be nominated by the Respective Authorities in State Government, ULB and Government of India | - | Directors |

6. The Special Purpose Vehicle is owned by the State Government and the Tirupathi Municipal Corporation on 50:50 ratio and will be governed by a Board of Directors and is answerable to Government of Andhra Pradesh, Government of India and Tirupathi Municipal Corporation and all other stakeholders for effective and timely implementation of the Smart City Programme of Tirupathi Municipal Corporation as per the rules and guidelines issued by the Government of India and the state Government from time to time.

7. The authorised share capital of SPV for incorporation will be Rs.5.00 lakhs initially and this will be increased later on as and when required. The paid up capital of the Special Purpose of Vehicle will be Rs.5.00 lakhs divided into 50,000 equity shares of Rs.10/- each. This paid up capital will be increased as and when the funds are released to the SPV. The following officers are nominated as initial shareholders of the SPV.

| Sl. No. | Shareholder | No. of share of Rs.10/- each |
|---|---|---|
| 1. | Governor of Andhra Pradesh represented by Principal Secretary, MA & UD, GoAP | 24,997 |
| 2. | Commissioner and Director of Municipal Administration, GoAP, Hyderabad | 1 |
| 3. | Engineer-in-Chief , Public Health Department, GoAP | 1 |
| 4. | Director of Town and Country Planning, GoAP | 1 |
| 5. | Municipal Corporation of Tirupathi represented by its Commissioner. | 24,997 |
| 6. | Additional Commissioner, Tirupathi Municipal Corporation | 1 |
| 7. | Examiner of Accounts, Tirupathi Municipal Corporation | 1 |
| 8. | Superintending Engineer, Tirupathi Municipal Corporation | 1 |
| | TOTAL | 50,000 |

8. Government authorises the Principal Secretary to Government, MA & UD Department and the Commissioner, Tirupathi Municipal Corporation to sign the incorporation papers of the SPV on behalf of the Governor of Andhra Pradesh and the Tirupathi Municipal Corporation respectively. The Government also permit the Commissioner, Municipal Corporation, Tirupathi to incur the incorporation and initial expenditure for establishing the SPV and to treat the expenditure as the subscription amount of Tirupathi Municipal Corporation in the Special Purpose Vehicle of Tirupathi.

9. The Commissioner, Tirupathi Municipal Corporation shall submit Memorandum of Association and the Articles of Association of the SPV prepared as per the guidelines issued by the Ministry of Urban Development and in accordance with the companies Act, 2013 for incorporation of an SPV

10 The Commissioner, Tirupathi Municipal Corporation shall take further necessary action in the matter.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

R.KARIKAL VALAVEN
PRINCIPAL SECRETARY TO GOVERNMENT

To
The Special Officer, Tirupathi Municipal Corporation, Tirupathi
The Collector and District Magistrate, Chittoor
The Commissioner, Tirupathi Municipal Corporation
Copy to:
The OSD to M(MA&UD)
The P.S. to Principal Secretary to Government
Sf/Sc

//FORWARDED BY ORDER//

RESEARCH OFFICER